TITLE 16 - BUREAU OF AUTOMOTIVE REPAIR

NOTICE IS HEREBY GIVEN that the Bureau of Automotive Repair ("Bureau") of the Department of Consumer Affairs is proposing to adopt the regulations described in the Informative Digest. Any interested party may present statements or arguments orally or in writing relevant to these changes, at hearings to be held at the following dates and locations:

Date: January 10, 2000 Time: 10:00 a.m. Department of Consumer Affairs 400 R Street, Hearing Room - Suite 1030 Sacramento, California

and

Date: January 13, 2000 Time: 10:00 a.m. Riverside State Building 3737 Main Street, Victoria Room Riverside, California

Written comments must be received by the Bureau at 10240 Systems Parkway, Sacramento, CA 95827, Attention: Miriam Townsend, no later than 5:00 p.m. on January 13, 2000, or may be received by the Bureau at the above referenced hearings. The Bureau, upon its own motion or at the instance of any interested party, may thereafter formally adopt the regulatory changes described below or make modification if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available, for 15 days prior to its adoption, from the person designated in this notice as contact person, and will be mailed to those persons who submit oral or written testimony related to this matter, or who have requested notification of any changes regarding this matter.

Authority and Reference: Pursuant to the authority vested by Sections 9882 and 9884.19 Business and Professions Code; and to implement, interpret or make specific Sections 9880.1 (a), (e), 9882, 9884.7(1)(g), 9884.8, 9884.9, 9884.17 and 9884.19 and Sections 12000 and 12001 of the Vehicle Code; the DCA/BAR is adopting the following changes to Article 6 and Article 8 of Division 33 of Title 16 of the California Code of Regulations.

INFORMATIVE DIGEST/PLAIN ENGLISH OVERVIEW

The Bureau of Automotive Repair was established within the California Department of Consumer Affairs in 1972. The Bureau was created by Chapter 1578, Statutes 1971 (Senate Bill 51, Beilenson), which mandated a statewide consumer protection program for automotive repair.

Through its statewide offices, the Bureau conducts consumer protection services related to automotive repair. Bureau representatives register and regulate automotive repair dealers, accept and mediate auto repair complaints from the public, investigate violations of the Automotive Repair Act of 1971 and, when appropriate, refer cases to law enforcement authorities, and administer a statewide licensing program of repair facilities and service technicians in lamp and brake inspection and repair.

Pursuant to the 1990 federal Clean Air Act Amendments (CAAA) and an international agreement (Montreal Protocol) signed by this nation in the late 1980s, due to concerns about global warming and erosion of the earth's ozone layer, the United States Environmental Protection Agency (USEPA) banned the production and importation of ozone-depleting chlorofluorocarbons (CFCs) and halons after 1995. One such affected substance, CFC-12 – or its brand name, freon – is a common refrigerant used in automotive air conditioning systems. However, the use of existing supplies of CFC-12, including recycling of the refrigerant, is permitted as long as supplies are available. CFC-12 was used as the primary refrigerant in air conditioning systems for vehicles built before 1994.

In addition, the CAAA requires the USEPA to review and approve all chemicals and technologies to be used as substitutes for the banned substances. Several refrigerants have been submitted to USEPA for review to replace CFC-12 in auto air conditioning systems. Currently, among the alternatives listed as acceptable subject to use conditions, R-134a is the only one which has been fully tested and specified by auto makers in their guidelines.

In the process of investigating and mediating consumer complaints, Bureau staff have found that these CAAA have resulted in confusion and have given rise to various acts of fraud that are best addressed within the jurisdiction of the Bureau's Automotive Repair Act. For example, repair facilities may fail to identify the refrigerant in use, they may inappropriately mix refrigerants, or in extreme cases, may jeopardize safety by substituting flammable chemicals such as propane. In many cases, the vehicle owner may be unaware of these shoddy or fraudulent repair methods.

Proposed regulations would provide guidelines on specific equipment requirements and establishes industry standards for automotive air conditioning repair shops engaged in such repairs. These regulations would address an enforcement area for the Consumer Protection Operations portion of the Bureau. Air conditioning service and repair has been one of the areas needing immediate attention and one which would continue to build on California's role as a consumer protection leader in the automotive service and repair market.

Summary of Existing Laws and regulations:

Section 9882 of the Business and Professions Code provides that the Director of the Department of Consumer Affairs may adopt and enforce those rules and regulations

that he or she determines are reasonably necessary to carry out the purposes of the Automotive Repair Act and declaring the policy of the Bureau.

Effect of Regulatory Action:

1. Adopt Section 3351.6.

This section adds Equipment Requirements for Automotive Repair Dealers that perform automobile air conditioning services.

2. Adopt Section 3366.

This section defines Accepted Trade Standards for Automotive Repair Dealers that perform automotive air conditioning service.

FISCAL IMPACT STATEMENTS

<u>Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:</u>

None

Nondiscretionary Costs/Savings to Local Agencies:

None

Local Mandate:

None

<u>Cost to Any Local Agency or School District for Which Government Code</u> <u>Section 17561 Requires Reimbursement</u>:

None

Significant Adverse Economic Impact on Businesses:

Although there is no significant adverse economic impact on businesses, there could be an initial cost to facilities who choose to offer air conditioning service to purchase refrigerant identification equipment and refrigerant leak detection equipment. Some local air quality control agencies in California have adopted stricter rules that require the repair of leaking air conditioning units prior to recharge. These regulations would create a level field among repair facilities statewide that offer air conditioning service.

Impact on Jobs/New Businesses:

The Bureau has determined that this regulatory proposal will not have any impact on the creation of jobs or businesses or the elimination of businesses or the expansion of businesses in the State of California.

Cost Impact on Private Persons or Entities:

The proposed regulations have no requirement to change existing working conditions. The cost impact on private persons is insignificant; however, there could be an initial cost to owners of stations who choose to offer air conditioning service to purchase refrigerant identification equipment and refrigerant leak detection equipment.

Housing Costs:

None

PLAIN ENGLISH REQUIREMENT

The Bureau has determined that the proposed regulations would affect small business. The bureau has drafted the regulations in plain English pursuant to Government Code Sections 11342(e) and 11346.2(a)(1). The expressed terms of the proposed action written in plain English are available from the agency contact person named in this notice.

CONSIDERATIONS OR ALTERNATIVES

The Bureau must determine that no alternative, which it considered, would be either more effective than or as effective as and less burdensome on affected private persons than the proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing to the above determinations at the above-mentioned hearing.

STATEMENT OF REASONS AND INFORMATION

The Bureau has prepared a statement of reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the statement of reasons and other information, if any, may be obtained at the hearing or prior to the hearing upon request from the Bureau of Automotive Repair at 10240 Systems Parkway Sacramento, CA 95827

CONTACT PERSON

Inquiries concerning the proposed administrative action may be addressed to Miriam Townsend at the above address or at (916) 255-4233.